

Dear Brothers,

January 2010

Over the past several years the Alumni Committee has had to make some very difficult financial decisions to continue the operations of the Zeta Phi House. These choices have enabled us to keep the house open over the past few years, but they have caused us to become delinquent on our property taxes to the Franklin County Treasurer. As a result, the Zeta House currently has two tax liens and is on the brink of foreclosure. These anticipated proceedings will result in the current residents being evicted from the house within the next six months if we are unable to pay the delinquent taxes in the amount of \$17,000. Needless to be say, if this occurs we will lose the house.

A safe assumption over the past couple of years was that we would be able to secure a home equity loan as we have in the past to pay our taxes. As we all know, the lending world has changed and as a non-profit organization, we can no longer secure a loan. We have approached numerous lenders in the past several months in an attempt to secure a home equity loan to pay the taxes and begin much needed renovations to the house, but changes in the federal loan guidelines will not allow us to secure a home equity loan because we are a non-profit organization. Our attempts to secure a corporate loan have also failed because of our poor cash flow and our high-risk loan status.

The house has a current appraised value by the Franklin County Auditors Office of \$212,000 and we have no outstanding debt on the house; therefore, we do not want to lose the house to foreclosure. **What we need to accomplish immediately is to collect everyone's 2010 dues and any additional donations, so we can avoid foreclosure.** Keep in mind this donation can be used a tax deduction on your 2010 return which we can provide a receipt and tax identification number for your contribution.

For those of you who have sent your dues in the past, we are very grateful. For those of you who have not, I sincerely hope this letter helps you realize that we must have your financial support to avoid foreclosure. Please keep in mind that the Alumni Dues are only \$50 a year, which is equivalent to a tank of gas. We believe these dues are very reasonable and affordable to all the alumni even during these difficult economic times. Over the past ten years we have averaged about \$8,000 in dues per year, which represents about only 30% of the 700 alumni. This lack of support by the remaining 70% of the alumni has been a significant contributing factor to our current financial crisis.

If all alumni send \$100 dues for 2010, we will be able to avoid foreclosure, pay our delinquent taxes and do some minor repairs to the house. Later on if we determine that it is not financially feasible to keep the house, the house can be sold and the proceeds placed in the alumni account to be used at a later time. At that point, the current active members can obtain alternative housing or housing through the college and, in the future, we may be able to lease a housing structure for Zeta Phi through the college.

Currently, we are looking for additional alumni to become involved to help get Zeta Phi back to financial stability. Lincoln Schneider ('99) will be taking over the position of Alumni Treasurer. If you are able to give input or solutions, please contact Carl Miller at hairyktm620@hotmail.com or Lincoln Schneider at lp68stang@yahoo.com. We are especially looking for an attorney to make sure Zeta Phi is legally sound.

Along with these new additions, we will be including an income statement with the Zeta Phi Lion to help everyone better understand the cash requirements needed to maintain the house.

On a positive note, the active members completed over 1000 hours of community service last year, achieved over a 3.0 grade point average for the Fall quarter and they are now back in the good graces of the college.

To reiterate, if all the alumni do not send in their \$100 dues for 2010, we will lose the house to foreclosure. Please send in your dues ASAP.

Sincerely,

Carl Miller ('86) - rep
Tim Harris ('86) - treasurer
Tom Heisey ('65) - former president
Mark Puskarich ('86)
Lincoln Schneider ('99) - new treasurer
Matt Sutton ('89)
Matt Verne ('89)
Matt Thompson ('89)
Pat Bennett ('89)

Please return this portion and your check payable to: **Zeta Phi, Inc.** in the self-addressed envelope.

Name (Please Print)_____ Amount of Check: \$_____

Address_____ Phone_____

Email_____ Grad Year _____

Receipt Needed: Yes or No (please circle)

We thank you for your contribution and wish you and your families all the best in 2010.